

NEVADA ENVIRONMENTAL RESPONSE TRUST
LE PETOMANE XXVII, INC.,
NOT INDIVIDUALLY BUT SOLELY IN ITS
REPRESENTATIVE CAPACITY AS TRUSTEE

FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION
FOR THE THREE MONTHS ENDED
MARCH 31, 2012

NEVADA ENVIRONMENTAL RESPONSE TRUST
LE PETOMANE XXVII, INC., NOT INDIVIDUALLY BUT SOLELY IN
ITS REPRESENTATIVE CAPACITY AS TRUSTEE

FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED MARCH 31, 2012

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POPOWCER KATTEN, LTD.
CERTIFIED PUBLIC ACCOUNTANTS

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Accountants' Compilation Report

Le Petomane XXVII, Inc., not individually but solely in its representative capacity as Trustee of the Nevada Environmental Response Trust

We have compiled the accompanying statement of assets and trust equity - cash basis of the Nevada Environmental Response Trust as of March 31, 2012 and the related statement of cash receipts and disbursements for the three months ended March 31, 2012, and the accompanying supplementary schedules – cash basis contained on pages 4 and 5, which are presented only for supplementary analysis purposes. We have not audited or reviewed the accompanying financial statements and supplementary schedules and, accordingly, do not express an opinion or provide any assurance about whether the financial statements and supplementary schedules are in accordance with the cash basis of accounting.

Le Petomane XXVII, Inc., not individually but solely in its representative capacity as Trustee is responsible for the preparation and fair presentation of the financial statements and supplementary schedules in accordance with the cash basis of accounting and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements and supplementary schedules.

Our responsibility is to conduct the compilation in accordance with Statement on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist the Trustee in presenting financial information in the form of financial statements and supplementary schedules without undertaking to obtain any assurance that there are no material modifications that should be made to the financial statements and supplementary schedules.

These financial statements are presented in accordance with the requirements of the Nevada Environmental Response Trust Agreement. Accordingly, these financial statements are not designed for those who are not informed about such matters.

Popowcer Katten, Ltd.

July 6, 2012

NEVADA ENVIRONMENTAL RESPONSE TRUST
LE PETOMANE XXVII, INC., NOT INDIVIDUALLY BUT SOLELY IN
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STATEMENT OF ASSETS AND TRUST EQUITY- CASH BASIS
MARCH 31, 2012

(See accountants' compilation report)

ASSETS

Cash and cash equivalents:

Nevada Environmental Response Trust Administrative Accounts:

Anchor Account - Northern Trust \$ 304,704.00

Nevada Environmental Response Trust Environmental Cost Accounts:

Anchor Account - Northern Trust 1,471,962.60

Total cash and cash equivalents 1,776,666.60

Securities (at cost):

Nevada Environmental Response Trust Administrative Account - U.S. Treasury Bills 6,523,305.06

Nevada Environmental Response Trust Environmental Cost Accounts - U.S. Treasury Bills 60,300,734.63

Total securities (at cost) 66,824,039.69

Total assets \$ 68,600,706.29

Trust Equity \$ 68,600,706.29

NEVADA ENVIRONMENTAL RESPONSE TRUST
LE PETOMANE XXVII, INC., NOT INDIVIDUALLY BUT SOLELY IN
ITS REPRESENTATIVE CAPACITY AS TRUSTEE

ADMINISTRATIVE ACCOUNT AND ENVIRONMENTAL COST ACCOUNT

STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2012

(See accountants' compilation report)

| | |
|--|------------------|
| Total Cash and Securities at December 31, 2011 | \$ 74,114,195.99 |
|--|------------------|

Receipts:

| | | |
|--|-----------------|--------------|
| Chartis Insurance | \$ 3,576,940.96 | |
| Environ International Corp reimbursement | 1,901.88 | |
| Tronox LLC | 1.00 | |
| Interest earned - Anchor account | 264.86 | |
| Interest earned - Treasury bills | 36,982.17 | |
| Dividends earned - Money Market account | <u>39.54</u> | |
| | | 3,616,130.41 |

Disbursements:

| | | |
|--|-------------------|-----------------------|
| Bank fees | 30.00 | |
| Basic Water Company | 2,750.00 | |
| Environ International Corp. | 7,050,278.01 | |
| Foley & Lardner LLP | 153,007.06 | |
| Kaempfer Crowell Renshaw Gronauer & Fiorentino | 5,406.38 | |
| LePetomane, Inc. | 2,195.66 | |
| LePetomane XXVII, Inc. | 71,648.50 | |
| Northern Trust annual fee | 10,000.00 | |
| NDEP - BCA | 122,216.25 | |
| NV Energy | 29,043.23 | |
| Pac Van | 1,494.00 | |
| Popowcer Katten, Ltd. | 21,936.66 | |
| Timothy R. Morse & Associates | 7,500.00 | |
| Veolia Water North America | 1,518,195.57 | |
| Willis of Illinois, Inc. | <u>133,918.79</u> | |
| | | <u>(9,129,620.11)</u> |

| | |
|---|--------------------------------|
| Total Cash and Securities at March 31, 2012 | <u><u>\$ 68,600,706.29</u></u> |
|---|--------------------------------|

SUPPLEMENTARY INFORMATION

NEVADA ENVIRONMENTAL RESPONSE TRUST
LE PETOMANE XXVII, INC., NOT INDIVIDUALLY BUT SOLELY IN
ITS REPRESENTATIVE CAPACITY AS TRUSTEE

ADMINISTRATIVE ACCOUNT

SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2012
(See accountants' compilation report)

| | | |
|--|--------------|------------------------|
| Balance at December 31, 2012 | | \$ 7,125,643.05 |
| Receipts: | | |
| Environ International Corp - reimbursement | \$ 1,901.88 | |
| Interest earned - Anchor account | 28.04 | |
| Interest earned - Treasury bills | 2,818.59 | |
| Dividends earned - Money Market account | 5.54 | |
| | | 4,754.05 |
| Disbursements: | | |
| Foley & Lardner LLP | 69,689.05 | |
| Kaempfer Crowell Renshaw Gronauer & Fiorentino | 5,406.38 | |
| LePetomane, Inc. | 2,195.66 | |
| LePetomane XXVII, Inc. | 55,247.50 | |
| Northern Trust annual fee | 5,000.00 | |
| Pac Van | 1,494.00 | |
| Popowcer Katten, Ltd. | 21,936.66 | |
| Timothy R. Morse & Associates | 7,500.00 | |
| Willis of Illinois, Inc. | 133,918.79 | |
| | | (302,388.04) |
| Balance at March 31, 2012 | | <u>\$ 6,828,009.06</u> |
| Summary of Administrative Cash and Security (at cost) Positions: | | |
| Anchor Account - Northern Trust | | \$ 304,704.00 |
| U.S. Treasury bill due April 5, 2012 | 2,599,432.05 | |
| U.S. Treasury bill due July 19, 2012 | 2,304,072.24 | |
| U.S. Treasury bill due November 15, 2012 | 1,619,800.77 | |
| Total U.S. Treasury Bills | | 6,523,305.06 |
| | | <u>\$ 6,828,009.06</u> |

NEVADA ENVIRONMENTAL RESPONSE TRUST
LEPETOMANE XXVII, INC., NOT INDIVIDUALLY BUT SOLELY IN
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ENVIRONMENTAL COST ACCOUNT

SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2012
(See accountants' compilation report)

| | | |
|---|-----------------|--------------------------------|
| Balance at December 31, 2011 | | \$ 66,988,552.94 |
| Receipts: | | |
| Chartis Insurance | \$ 3,576,940.96 | |
| Tronox LLC | 1.00 | |
| Interest earned - Anchor account | 236.82 | |
| Interest earned - Treasury bills | 34,163.58 | |
| Dividends earned - Money Market account | 34.00 | |
| | <hr/> | 3,611,376.36 |
| Disbursements: | | |
| Bank fees | 30.00 | |
| Basic Water Company | 2,750.00 | |
| Environ International Corp. | 7,050,278.01 | |
| Foley & Lardner LLP | 83,318.01 | |
| LePetomane XXVII, Inc. | 16,401.00 | |
| Northern Trust annual fee | 5,000.00 | |
| NDEP - BCA | 122,216.25 | |
| NV Energy | 29,043.23 | |
| Veolia Water North America | 1,518,195.57 | |
| | <hr/> | (8,827,232.07) |
| Balance at March 31, 2012 | | <u><u>\$ 61,772,697.23</u></u> |
| Summary of Environmental Cash and Securities (at cost) Positions: | | |
| Anchor Account - Northern Trust | | \$ 1,471,962.60 |
| U.S. Treasury bill due April 5, 2012 | 31,070,064.18 | |
| U.S. Treasury bill due July 12, 2012 | 21,736,569.30 | |
| U.S. Treasury bill due November 15, 2012 | 4,494,625.97 | |
| U.S. Treasury bill due March 7, 2013 | 2,999,475.18 | |
| Total U.S. Treasury Bills | <hr/> | 60,300,734.63 |
| | | <u><u>\$ 61,772,697.23</u></u> |